

CHAPTER 279

(Senate Bill 325)

AN ACT to add five new sections to Article 78A of the Annotated Code of Maryland (1951 Edition), title "Public Works", sub-title "Board of Public Works", said new sections to follow immediately after Section 1 and to be known as Sections 1A, 1B, 1C, 1D, and 1E, providing for the expenditure of revenue derived from sale of State bonds for capital improvements; application of excess funds to debt service; time limit on authorization of bonds and project construction; and temporary exceptions allowable by Board of Public Works.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That five new sections be and they are hereby added to Article 78A of the Annotated Code of Maryland (1951 Edition), title "Public Works", sub-title "Board of Public Works", said new sections to be known as 1A, 1B, 1C, 1D, and 1E, to follow immediately after Section 1 thereof and to read as follows:

1A. Monies derived from the sale of State Construction Bonds shall be used only for capital improvements and for no other purpose. In determining whether an expenditure represents a capital improvement, the Board will be guided by the following principle: The useful life of the improvement shall be at least equal to the life of the bonds by which it is financed.

1B. All unexpended funds remaining from completed projects authorized under the General Construction Loan of 1953, and under all General Construction Loans authorized subsequently, shall be applied to reduce the outstanding bonded indebtedness of the State, within one year after the date of the final acceptance of the project by the State.

1C. Such authorization shall be automatically terminated if actual work on the particular project for which a State bond issue has been authorized by the General Assembly is not commenced within five (5) years from the date of authorization.

EXPLANATION: *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

~~Strike out~~ indicates matter stricken out of bill.